SECTION 1. The Legislature finds and declares the following:

- (a) Programs that encourage the purchase and use of low-emission and zero-emission vehicles are necessary for California to achieve the requirements of the federal Clean Air Act. More broadly, low-emission and zero-emission vehicles are a cornerstone of California's long-term transportation strategy to reduce localized pollution, smog, and greenhouse gas emissions, save consumers money, and enable continued economic and job growth. Existing programs that allow low-emission and zero-emission vehicles access to high-occupancy vehicle lanes have been successful in encouraging their purchase and use.
- (b) The number of low-emission and zero-emission vehicles currently on the road in California represents a small portion of overall registered vehicles, less than 1 percent.
- (c) The Department of Transportation has reported that prior traffic counts indicate that low-emission and zero-emission vehicles contribute a very small percentage of the peak hour high-occupancy vehicle lane volume, under 5% of vehicles in the lanes.
- (d) It is the intent of the Legislature that vehicles eligible for the "Green Sticker Program" or specifically, vehicles that meet California's enhanced advanced technology partial zero-emission vehicle standard or transitional zero-emission vehicle standard, are allowed to continue to receive decals until the program's expiration date in current state law, which is January 1, 2019.
- (e) It is the intent of the Legislature that vehicles eligible for the "White Sticker Program" for zero-emission vehicles, or specifically, vehicles that meet California's super ultra-low emission vehicle standard and other vehicle types specified for the program in current law, are allowed to continue to receive decals until the program's expiration date in current federal law, as amended by the federal Fixing America's Surface Transportation Act, which is October 1, 2025.
- (f) High-occupancy vehicle lanes on the state highway system should operate efficiently and in compliance with federal law. The performance of high-occupancy lanes may degrade for several reasons, including but not limited to, non-compliance with the law, economic growth, population growth, growth of carpooling as a share of trips, and access to high-occupancy vehicle lanes by zero-emission or low emission vehicles.
- (g) To maintain efficient use of high-occupancy vehicle lanes on the state highway system in accordance with the federal Fixing America's Surface Transportation Act performance standards, the Legislature finds the actions the Department of Transportation may need to consider include, but are not limited to, increasing enforcement in collaboration with the Department of the California

Highway Patrol; improving transit and active transportation along the affected corridors; increasing minimum occupancy with exceptions as currently provided in law; and improving traffic incident response.

(h) To provide updated information to the Legislature and the public on the condition of high-occupancy lanes, and the effect of low-emission and zero-emission vehicle access to those lanes, the Department of Transportation shall prepare and submit a report to the Legislature on or before December 1, 2017, on the degradation status of high-occupancy vehicle lanes on the state highway system.

SECTION 1. Section 5205.5 of the Vehicle Code is amended to read:

- **5205.5** (a) For purposes of implementing Section 21655.9, the department shall make available for issuance, for a fee determined by the department to be sufficient to reimburse the department for the actual costs incurred pursuant to this section, distinctive decals, labels, and other identifiers that clearly distinguish the following vehicles from other vehicles:
- (1) A vehicle that meets California's super ultra-low emission vehicle (SULEV) standard for exhaust emissions and the federal inherently low-emission vehicle (ILEV) evaporative emission standard, as defined in Part 88 (commencing with Section 88.101-94) of Title 40 of the Code of Federal Regulations.
- (2) A vehicle that was produced during the 2004 model year or earlier and meets California's ultra-low emission vehicle (ULEV) standard for exhaust emissions and the federal ILEV standard.
- (3) A vehicle that meets California's enhanced advanced technology partial zero-emission vehicle (enhanced AT PZEV) standard or transitional zero-emission vehicle (TZEV) standard.
- (b) The department shall include a summary of the provisions of this section on each motor vehicle registration renewal notice, or on a separate insert, if space is available and the summary can be included without incurring additional printing or postage costs.
- (c) The Department of Transportation shall remove individual HOV lanes, or portions of those lanes, during periods of peak congestion from the access provisions provided in subdivision (a), following a finding by the Department of Transportation as follows:
- (1) The lane, or portion thereof, exceeds a level of service C, as discussed in subdivision (b) of Section 65089 of the Government Code.
- (2) The operation or projected operation of the vehicles described in subdivision (a) in these lanes, or portions thereof, will significantly increase congestion.
- (3) The finding shall also demonstrate the infeasibility of alleviating the congestion by other means, including, but not limited to, reducing the use of the lane by noneligible vehicles or further increasing vehicle occupancy.

- (d) The State Air Resources Board shall publish and maintain a listing of all vehicles eligible for participation in the programs described in this section. The board shall provide that listing to the department.
- (e) (1) For purposes of subdivision (a), the Department of the California Highway Patrol and the department, in consultation with the Department of Transportation, shall design and specify the placement of the decal, label, or other identifier on the vehicle. Each decal, label, or other identifier issued for a vehicle shall display a unique number, which shall be printed on, or affixed to, the vehicle registration.
- (2) Decals, labels, or other identifiers designed pursuant to this subdivision for a vehicle described in paragraph (3) of subdivision (a) shall be distinguishable from the decals, labels, or other identifiers that are designed for vehicles described in paragraphs (1) and (2) of subdivision (a).
- (f) (1) Except as provided in paragraph (2), for purposes of paragraph (3) of subdivision (a), the department shall issue **no more than 85,000** distinctive decals, labels, or other identifiers that clearly distinguish a vehicle specified in paragraph (3) of subdivision (a).
- (2) The department may issue a decal, label, or other identifier for a vehicle that satisfies all of the following conditions:
- (A) The vehicle is of a type identified in paragraph (3) of subdivision (a).
- (B) The owner of the vehicle is the owner of a vehicle for which a decal, label, or other identifier described in paragraph (1) was previously issued and that vehicle for which the decal, label, or other identifier was previously issued is determined by the department, on the basis of satisfactory proof submitted by the owner to the department, to be a nonrepairable vehicle or a total loss salvage vehicle.
- (C) The owner of the vehicle applied for a decal, label, or other identifier pursuant to this paragraph within six months of the date on which the vehicle for which a decal, label, or other identifier was previously issued is declared to be a nonrepairable vehicle or a total loss salvage vehicle.
- (g) If the Metropolitan Transportation Commission, serving as the Bay Area Toll Authority, grants toll-free and reduced-rate passage on toll bridges under its jurisdiction to a vehicle pursuant to Section 30102.5 of the Streets and Highways Code, it shall also grant the same toll-free and reduced-rate passage to a vehicle displaying an identifier issued by the department pursuant to paragraph (1) or (2) of subdivision (a).
- (h) (1) Notwithstanding Section 21655.9, and except as provided in paragraph (2), a vehicle described in subdivision (a) that displays a decal, label, or identifier issued pursuant to this section shall be granted a toll-free or reduced-rate passage in high-occupancy toll lanes as described in Section 149.7 of the Streets and Highways Code unless prohibited by federal law.
- (2) (A) Paragraph (1) does not apply to the imposition of a toll imposed for passage on a toll road or toll highway, that is not a high-occupancy toll lane as described in Section 149.7 of the Streets and Highways Code.
- (B) On or before March 1, 2014, paragraph (1) does not apply to the imposition of a toll imposed for passage in lanes designated for tolls pursuant to the federally supported value pricing and transit development

demonstration program operated pursuant to Section 149.9 of the Streets and Highways Code for State Highway Route 10 or 110.

- (C) Paragraph (1) does not apply to the imposition of a toll charged for crossing a state-owned bridge.
- (i) If the Director of Transportation determines that federal law does not authorize the state to allow vehicles that are identified by distinctive decals, labels, or other identifiers on vehicles described in subdivision (a) to use highway lanes or highway access ramps for high-occupancy vehicles regardless of vehicle occupancy, the Director of Transportation shall submit a notice of that determination to the Secretary of State.
- (j) (1) This With respect to a vehicle described in paragraph (3) of subdivision (a), this section shall become inoperative on January 1, 2019, or the date the federal authorization pursuant to Section 166 of Title 23 of the United States Code expires, or the date the Secretary of State receives the notice described in subdivision (i), whichever occurs first. first, and, as
- (2) With respect to a vehicle described in paragraph (1) or paragraph (2) of subdivision (a), this section shall become inoperative on October 1, 2025, or the date the federal authorization pursuant to Section 166 of Title 23 of the United States Code expires, or the date the Secretary of State receives the notice described in subdivision (i), whichever occurs first.
- (3) As of January 1, 2019, October 1, 2025, this section is repealed, unless a later enacted statute, that becomes operative on or before January 1, 2019, October 1, 2025, deletes or extends the dates on which it becomes inoperative and is repealed.

SECTION 2. Section 21655.9 of the Vehicle Code is amended to read:

- **21655.9** (a) (1) Whenever the Department of Transportation or a local authority authorizes or permits exclusive or preferential use of highway lanes or highway access ramps for high-occupancy vehicles pursuant to Section 21655.5, the use of those lanes or ramps shall also be extended to vehicles that are issued distinctive decals, labels, or other identifiers pursuant to Section 5205.5 regardless of vehicle occupancy or ownership.
- (2) A local authority during periods of peak congestion shall suspend for a lane the access privileges extended pursuant to paragraph (1) for those vehicles issued distinctive decals, labels, or other identifiers pursuant to Section 5205.5, if a periodic review of lane performance by that local authority discloses both of the following factors regarding the lane:
- (A) The lane, or a portion of the lane, exceeds a level of service C, as described in subdivision (b) of Section 65089 of the Government Code.
- (B) The operation or projected operation of vehicles in the lane, or a portion of the lane, will significantly increase congestion.

- (b) A person shall not drive a vehicle described in subdivision (a) of Section 5205.5 with a single occupant upon a high-occupancy vehicle lane pursuant to this section unless the decal, label, or other identifier issued pursuant to Section 5205.5 is properly displayed on the vehicle, and the vehicle registration described in Section 5205.5 is with the vehicle.
- (c) A person shall not operate or own a vehicle displaying a decal, label, or other identifier, as described in Section 5205.5, if that decal, label, or identifier was not issued for that vehicle pursuant to Section 5205.5. A violation of this subdivision is a misdemeanor.
- (d) If the provisions in Section 5205.5 authorizing the department to issue decals, labels, or other identifiers to hybrid and alternative fuel vehicles are repealed, vehicles displaying those decals, labels, or other identifiers shall not access high-occupancy vehicle lanes without meeting the occupancy requirements otherwise applicable to those lanes.
- (e) (1) This With respect to a vehicle described in paragraph (3) of subdivision (a), this section shall become inoperative on January 1, 2019, or the date the federal authorization pursuant to Section 166 of Title 23 of the United States Code expires, or the date the Secretary of State receives the notice described in subdivision (i) of Section 5205.5, whichever occurs first, and, as
- (2) With respect to a vehicle described in paragraph (1) or paragraph (2) of subdivision (a) of Section 5205.5, this section shall become inoperative on October 1, 2025, or the date the federal authorization pursuant to Section 166 of Title 23 of the United States Code expires, or the date the Secretary of State receives the notice described in subdivision (i) of Section 5205.5, whichever occurs first.
- (3) As of January 1, 2019, October 1, 2025, this section is repealed, unless a later enacted statute, that becomes operative on or before January 1, 2019, October 1, 2025, deletes or extends the dates on which it becomes inoperative and is repealed.
- (f) The Department of Transportation shall prepare and submit a report to the Legislature on or before December 1, 2017, on the degradation status of high-occupancy vehicle lanes on the state highway system.